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CONSOLIDATED FEDERAL FUNDS REPORT AMENDMENTS OF 1985

ORIGINAL

H130

HEARING

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON GOVERNMENT OPERATIONS HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

ON

H.R. 3168

TO REQUIRE THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET TO PREPARE AN ANNUAL REPORT CONSOLIDATING THE AVAILABLE DATA ON THE GEOGRAPHIC DISTRIBUTION OF FEDERAL FUNDS AND FOR OTHER PURPOSES

SEPTEMBER 19, 1985

Printed for the use of the Committee on Government Operations

COMPLETED

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WASHINGTON 1986

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CONSOLIDATED FEDERAL FUNDS REPORT AMENDMENTS OF 1985

THURSDAY, SEPTEMBER 19, 1985

HOUSE OF REPRESENTATIVES,
LEGISLATION AND NATIONAL SECURITY SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:58 a.m., in room 2154, Rayburn House Office Building, Hon. Jack Brooks (chairman of the subcommittee) presiding.

Present: Representatives Jack Brooks, Stephen L. Neal, Frank Horton, and Jim Saxton.

Subcommittee staff present: Richard C. Barnes, staff director; Cynthia W. Meadow, Chris P. Cooper, and Carl S. Levin, professional staff members; Mary V. Heuer, staff member; and Mary Alice Oliver, secretary; full committee staff: William M. Jones, general counsel; John E. Moore, staff administrator; Donna Fossum, professional staff member; Stephen M. Daniels, minority staff director and counsel; and Thomas F. Houston, minority professional staff, Committee on Government Operations.

OPENING STATEMENT OF CHAIRMAN BROOKS

Mr. BROOKS. We will call a hearing on H.R. 3168, a bill to reauthorize the Consolidated Federal Funds Report through fiscal year 1988. The CFFR was created in 1982 by the passage and signing of Public Law 97-326.

In the past 3 years, the CFFR has come to be the most comprehensive source of information about where the Federal Government spends its money. Each year this report tells us by State and county, and to some extent subcounty units, where the Federal Government is purchasing goods and services, paying wages and funding various programs. In addition to being a widely used source of information, the CFFR has also been found to be a valuable management tool by the Office of Management and Budget.

Today, we are reviewing a bill that will extend the production of this document for 3 more years.

[The bill, H.R. 3168, follows:]

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99TH CONGRESS
1ST SESSION

H. R. 3168

To require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 1985

Mr. BROOKS introduced the following bill; which was referred to the Committee on Government Operations

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A BILL

To require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Consolidated Federal Funds Report Amendments of 1985".

SEC. 2. (a) Title 31, United States Code, is amended by inserting after chapter 61 the following new chapter:

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"CHAPTER 62—CONSOLIDATED FEDERAL FUNDS REPORT

"Sec.
"6201. Definitions.
"6202. Content, form, and data for report.
"6203. Expenditure report.
"6204. Printing and distribution of reports and computer tapes.
"6205. Delegation.
"6206. Availability of information.
"6207. Federal assistance awards data system.
"6208. Data consistency and uniformity of data elements.
"6209. Review by Comptroller General.
"6210. Authorization of appropriations.

"§ 6201. Definitions

"As used in this chapter, the term—

"(1) 'Director' means the Director of the Office of Management and Budget;

"(2) 'State' means any State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Government of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands; and

"(3) 'municipality' means any subcounty unit of general local government that received Federal assistance in the fiscal year to be reported on.

"§6202. Content, form and data for report

"(a) For fiscal years 1986, 1987, and 1988, not later than one hundred and eighty days after the end of each fiscal year, the Director shall prepare a Consolidated Federal Funds Report presenting the total amount of Federal funds that were obligated for expenditure in or expended in each

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State, county, or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds during the preceding fiscal year. To the extent practicable, such categories shall be consistently constituted from year to year. The report shall be in the form described in subsection (b) and shall be based on the data referred to in subsection (c).

"(b) The Director shall include in each report required by subsection (a)—

"(1) the total amount of Federal funds that were reported obligated for expenditure in each State, county, or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds in the fiscal year preceding the fiscal year in which the report is made; or

"(2) the total amount of Federal funds that were reported actually expended in each State, county, or parish, congressional district, and municipality of the United States in appropriate categories in the fiscal year preceding the fiscal year in which the report is made.

"(c) The report required by subsection (a) shall be based on the data included in--

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"(1) the Federal assistance awards data system established as a result of the study referred to in the first sentence of section 6207;

"(2) the Federal procurement data system referred to in section 6(d)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(5));

"(3) the appropriate data file of the Office of Personnel Management;

"(4) the records of the Office of the Secretary of Defense;

"(5) the records of the United States Postal Service and the Postal Rate Commission;

"(6) the data system used by the Bureau of the Census to prepare the annual Federal aid to States report;

"(7) the retirement files of the United States Coast Guard;

"(8) the appropriate data file of the Federal Emergency Management Agency;

"(9) the appropriate data file of the Legal Services Corporation;

"(10) the appropriate data file of the Internal Revenue Service; and

"(11) the appropriate data file of the National Railroad Passenger Corporation.

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"(d) For the purposes of subsection (b), the general categories of Federal funds presented in each report required by subsection (a) shall include data with respect to grants, loans, purchases, and contracts, cooperative agreements, direct Federal payments to individuals, pay of civilian employees of the Government, military pay, annuities, retirement pay, pensions, and disability compensation.

"§ 6203. Expenditure report

"(a) The Director shall prepare a report setting forth the total amount of Federal funds that were obligated for expenditure in or expended in each State in appropriate general categories of Federal funds during each of the fiscal years 1986, 1987, and 1988. The report shall be in the form described in subsection (b).

"(b) The Director shall include in each report required by subsection (a)—

"(1) the total amount of Federal funds that were reported obligated for expenditure in each State in appropriate general categories of Federal funds in the fiscal year preceding the fiscal year in which the report is made; or

"(2) the total amount of Federal funds that were reported actually expended in each State in appropriate general categories in the fiscal year preceding the fiscal year in which the report is made.

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"(c) For the purposes of subsection (b), the general categories of Federal funds presented in each report required by subsection (a) shall include data with respect to grants, loans, purchases and contracts, direct Federal payments to individuals, pay of civilian employees of the Government, military pay, annuities, retirement pay, pensions, disability compensation, and other large programs or categories where data are available such as the National Aeronautics and Space Administration and the Army Corps of Engineers.

"(d) The reports required by subsection (a) shall be available not later than one hundred and twenty days after the end of the fiscal year.

"§ 6204. Printing and distribution of reports and computer tapes

"(a)(1) The Director shall—

"(A) prepare—

"(i) printed copies of each of the reports required by this Act; and

"(ii) computer tapes of such reports; and

"(B) make the printed copies of the reports and the computer tapes available to the public for purchase at a price fixed under subsection (b).

"(2) The Director shall transmit free of charge one of each of the printed copies of the reports required by this Act to—

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"(A) each Federal regional depository library;

"(B) the Committees on Government Operations, the Budget, and Appropriations of the House of Representatives; and

"(C) the Committees on Governmental Affairs, the Budget, and Appropriations of the Senate.

"(3) The Director shall also promptly transmit, free of charge, one computer tape of the report required by section 6202 annually and of the data in the system required by section 6207 quarterly to the Committee on Rules and Administration of the Senate and to the Committee on House Administration of the House of Representatives.

"(4) Subject to subsection (b), the Director may, at his discretion, waive all or part of the fee required by subsection (a)(1)(B) of this section.

"(b) In carrying out subsection (a)(1)(B), the Director shall, based on the estimates made under paragraphs (1) and (2) of this subsection, fix the price of each printed copy and each computer tape of the report so that the aggregate revenues obtained in each fiscal year under subsection (a) will cover as much of the incremental costs incurred in making these reports and tapes available for purchase by the public as is feasible. In computing these costs the Director shall not consider the costs of the activities set forth in sections 6206, 6207, and 6209 but shall consider—

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"(1) the cost of compiling the reports required by this Act; preparing the printed copies and computer tapes under subsection (a); and distributing the printed copies and the computer tapes of the report for each fiscal year; and

"(2) the number of printed copies and the number of computer tapes of the report that will be purchased.

"§ 6205. Delegation

"In order to carry out sections 6202, 6203, and 6204 of this chapter, the Director may delegate to any authority of the executive branch of the Federal Government the responsibility for carrying out such sections. The Director shall oversee the activities of any authority to which responsibilities are delegated under this section and shall monitor the compliance of each authority with respect to the requirements set forth in section 6206.

"§ 6206. Availability of information

"Each head of any authority of the Government having custody of the data files and systems referred to in section 6202(c)—

"(1) shall make available to the Director (or other authority to which the Director has delegated the responsibility to carry out such section) the information requested in the form designated; and

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"(2) is authorized to make available to the Director (or such other authority) such administrative services, equipment, personnel, and facilities (and funds appropriated therefor) as the Director or such authority requires to carry out such section.

"§ 6207. Federal assistance awards data system

"(a) The Director shall operate and maintain, and update on a quarterly basis, the Federal assistance awards data system established as a result of the study conducted by the Director under section 6102(a) of this title.

"(b) In order to carry out subsection (a), the Director—

"(1) may delegate to any authority of the executive branch of the Federal Government the responsibility for carrying out subsection (a), and

"(2) shall review any reports submitted to him by Federal agencies in the process of carrying out subsection (a) and may validate, by appropriate means, the processes by which Federal agencies prepared such reports.

"§ 6208. Data consistency and uniformity of data elements

"The Director shall designate a single organizational unit to provide for data consistency and uniform reporting of data elements.

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"§ 6209. **Review by comptroller general**

"The Comptroller General shall conduct a review of the data systems and reports required by this chapter. This review shall include a determination of the accuracy of the data contained within the report required by section 6202 and the costs of data collection, report preparation, and dissemination of such data and report. The review shall also include an analysis of the use and primary users of the data. In making this review, the Comptroller General shall consult with Members of Congress, the Congressional Budget Office, the Office of Management and Budget, the Committee on Rules and Administration of the Senate, the Committee on House Administration of the House of Representatives, the Census Bureau, representatives of State and local governments, and any other persons he deems appropriate. This review shall be submitted to the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives no later than October 1, 1987.

"§ 6210. **Authorization of appropriations**

"There are authorized to be appropriated to carry out this chapter such sums as may be necessary for each of the fiscal years 1986, 1987, and 1988.".

(b) The table of chapters for subtitle V of title 31, United States Code, is amended by inserting after the item pertaining to chapter 61 the following new item:

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"62. Consolidated Federal Funds Report ..... 6201".

(c) The Consolidated Federal Funds Report Act of 1982 is repealed.

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Mr. BROOKS. Our witnesses are Milton J. Socolar, Special Assistant to the Comptroller General, Michael J. Horowitz, Counsel to the Office of Management and Budget, and Boyd Alexander, Director of House Information Systems.

Mr. HORTON. I have a statement I would like to have included in the record.

Mr. BROOKS. Without objection, so ordered.

[Mr. Horton's opening statement follows:]

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Opening Statement of Congressman Frank Horton

Mr. Chairman, when we met in Subcommittee three years ago to consider approval of the Consolidated Federal Forms Report Act of 1982, I felt that it was important for the Congress and the public to have access to reliable information on the distribution of Federal funds to various regions of our country. After watching the report develop and grow in those three years, I am convinced that it does indeed provide the sort of reliable and useful data that we envisioned, and I encourage its continuation.

For those colleagues who are new to this Subcommittee, I want to stress that the Consolidated Federal Forms Report is indispensable to Members of Congress who must make difficult and informed decisions about Federal spending priorities. The question in my mind is not whether the report is useful and worthwhile, but whether the existing methods of collecting and distributing the data can be improved. It is for that reason that I am anxious to hear the views of each of today's witnesses.

Finally, Mr. Chairman, I want to commend you, the Office of Management and Budget, and the Bureau of the Census for diligently pursuing this matter. I should add that the General Accounting Office has been very helpful in reviewing and analyzing the report as required by the language of the 1982 Act.

Mr. Chairman, I look forward to the hearing and I join you in welcoming our witnesses.

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Mr. BROOKS. Our first witness is Milton Socolar, Special Assistant to the Comptroller General, U.S. General Accounting Office. We welcome you back to the subcommittee.

STATEMENT OF MILTON J. SOCOLAR, SPECIAL ASSISTANT TO THE COMPTROLLER GENERAL, U.S. GENERAL ACCOUNTING OFFICE

Mr. SOCOLAR. I would like to have my statement put in the record.

In 1983, we issued a report on our review of the CFFR reports under the prior legislation. We found that there was indeed a need for the data that is compiled. It is used by the congressional committees, the Congressional Research Service, State and local people, generally for trend analysis and intergovernmental relations purposes. Some users indicated a need for more program data than was provided by the reports, as opposed to information that is supplied on a categorical basis, such as amounts of money for grants, direct payments, and so forth.

The report is compiled from several data sources that are generally kept for other purposes. Because of that, there is some loss of detail, particularly with regard to amounts that are provided at the subcommittee level.

In order to provide as much detail as some users of the information would like, there would be required a considerable expenditure of additional funds. However, we think, under the present system, there are means by which more detailed information can be provided through estimates and particularly through providing access, knowledge about access, to the tapes that make up the report itself being available.

In summary, we believe that there is a need for comprehensive and useful data on Federal expenditures at State and local levels. Although some problems may exist, we see CFFR's reporting of funds to various geographic levels—this report is the only comprehensive data source which currently attempts to show the geographic distribution of the majority of Federal funds.

Also, OMB and Census have taken and are planning further actions to improve the report's usefulness. Therefore, we support the continuation of this kind of statistical reporting through the passage of H.R. 3168.

And this concludes my statement, Mr. Chairman, and I would be happy to answer any questions you might have.

[Mr. Socolar's prepared statement follows:]

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Statement of

Milton J. Socolar

Special Assistant to the Comptroller General

United States General Accounting Office
Washington, D.C. 20548

Mr. Chairman and Members of the Committee:

We are pleased to be here today to present our views in support of H.R. 3168. This bill requires the Director of the Office of Management and Budget (OMB) to prepare an annual report consolidating available data on the geographic distribution of federal funds. Passing this bill would authorize the publication of the Consolidated Federal Funds Report (CFFR) through fiscal year 1988.

The CFFR was originally authorized by Public Law 97-326, "The Consolidated Federal Funds Report Act of 1982." The report presents statistical data from several existing sources on the distribution of federal funds to the state, county, subcounty, and congressional district levels. These data are aggregated by general categories such as grants and procurements. The 1983 CFFR reflected approximately 85 percent of the fiscal year 1983 domestic budget. The majority of funds excluded was net interest on the federal debt, which represented about 12 percent of net domestic outlays. As required by the act, we reviewed the 1983 CFFR and provided this committee and the Senate Governmental Affairs Committee our report, Accuracy, Cost, and Users of the Consolidated Federal Funds Report, (GAO/AFMD-85-1, October 1, 1984). My comments today are primarily based on this review.

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We believe there is a need for a comprehensive and consistent source of data on the geographic distribution of federal funds. Data of this type can assist the Congress, executive branch, state and local governments, and others by providing information on how congressional budget allocation decisions and shifts in federal spending affect localities, states, and regions. During our review we found numerous users of geographic funding data. They included the Congress and related congressional organizations such as the Congressional Research Service, as well as state and local government officials and interest groups. Other users included educators and some federal agencies. Their uses for these data varied and included trend analysis and analyses of intergovernmental relations and policies. Overall, users generally agreed on the need for a comprehensive source, such as the CFFR, to provide information on the geographic distribution of federal funds.

During our review, users indicated a greater need for program-level data rather than data aggregated into general categories such as grants and direct payments. However, many users did express an interest in nonprogrammatic CFFR categories such as procurements and salary and wages. In addition, user groups expressed some interest in data at all geographic levels. The lack of substate data on pass-through programs, such as food stamps and Medicaid, was of particular concern. Most users did not object to the use of allocations or estimates to obtain more detail at the substate levels, as long as an adequate explanation was provided.

The CFFR is compiled into a standardized format from several sources developed for other purposes. As a result, a loss of detail occurs at each successive geographic level. This

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is due to the data sources not distributing funds to actual recipients and not reporting geographic location by a standardized geographic code. We found that the majority of federal funds are reflected at the state and county levels. However, data at the subcounty level are limited. The report does not show how federal funds are distributed by congressional districts but lists the congressional district(s) associated with each county and municipality. Therefore, we believe the data at the subcounty and congressional district levels should be used with this limitation in mind.

To increase the amount of detail reported at the various geographic levels, especially subcounty and congressional district, would require system design changes in the data sources. This could involve the collection of additional data or changes in current reporting requirements. Such changes could be costly and create an additional paperwork burden to federal agencies. However, we found reporting at the county level can be improved in another way. Pass-through program funds can be distributed to this level by using estimates or by obtaining fund distributions directly from the states. In response to user needs and our recommendation, OMB and Census included estimates at the county level for eight pass-through programs in the 1984 report. These programs account for approximately $54 billion and increase the amount of detail at the county level. OMB and Census officials recently told us they will try to provide more pass-through data at the county level in future reports. They have plans under way to obtain substate distributions directly from the states on approximately 12 large grant programs, such as the school lunch program and social services block grants. We support these efforts by OMB

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and Census to enhance the data.

In summary, we believe a need for comprehensive and useful data on federal expenditures at the state and local levels exists. Though some problems may exist with CFFR's reporting of funds to various geographic levels, this report is the only comprehensive data source which currently attempts to show the geographic distribution of the majority of federal funds. Also, OMB and Census have taken and are planning further actions to improve the report's usefulness. Therefore, we support the continuation of this type of statistical reporting through the passage of H.R. 3168.

This concludes our statement. We have also provided the committee with written comments on H.R. 3168. We would be pleased to answer any questions you have.

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Mr. BROOKS. Thank you very much, and I have three questions for you on matters that I think will help clarify this record. I will submit those for the record, and thank you very much.

[Mr. Socolar's submissions to questions of Mr. Brooks follow:]

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**QUESTIONS OF MR. BROOKS
FOR MR. SOCOLAR**

Question 1. You have indicated that CFFR users have a greater need for program-level data than data aggregated by general categories. How does the CFFR meet this need?

Answer: The CFFR provides program-level data in the printed document at the state level. Data on grants, direct payments, loans, and insurance programs for over 150 categories of programs or program aggregates are included. State-level program data are also available on the computer.

At the county and subcounty levels, program data are not available in the printed documents; however, limited program data are available at these levels on the computer tape. For example, at the county level, the identity of most pass-through programs is not available since most of these data are not reported below the state level. OMB and Census are trying to provide more pass-through program data at this level. The 1984 report included estimates at the county level for eight pass-through programs and plans are underway for future reports to include more pass-through data at the county level. This will increase the amount of program detail at this level. At the subcounty level, the only program data available are for those programs for which a municipality or some other local entity is a direct recipient. During our review we found that many users anticipated using the tape because the printed documents lack individual program data, particularly at the county and subcounty-levels.

Question 2. You have given us several examples of the uses for the CFFR data. What specifically are the various users' needs and uses for the data?

Answer: In our survey of congressional users, we found that congressional offices use geographic funding data for a variety of general purposes such as policy analyses, legislative initiatives, and congressional oversight. Overall, most congressional offices considered

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state, county, and subcounty data important although state-level data were more important than other levels. Congressional district data were considered important for most House members, committees, and subcommittees, but were not very important for most Senate members and committees. We found both House Information Systems (HIS) and the Senate Computer Center use geographic data to respond to specific congressional office requests. For example, HIS uses the data to respond to constituent-oriented requests, such as how much money is being spent for a specific program in a specific city or county.

State and local government officials to whom we talked use geographic funding data primarily for analyses requiring historical baseline data. State and local interest groups use the data to provide information to their members.

In interviews with other individuals and organizations such as federal agencies and educators, we found their uses were similar to those of congressional and state groups, with a particular emphasis on comparative and impact analyses using historical baseline data.

Question 3. Section 6209 requires the Comptroller General to conduct a detailed review of the Consolidated Federal Funds Report to determine the accuracy, cost, users, and uses. What do you expect GAO will find in this review?

Answer: In our report Accuracy, Cost, and Users of the Consolidated Federal Funds Report (GAO/AFMD-85-1, October 1, 1984) we reviewed the 1983 CFFR to examine those same aspects. It is our view that another review of this scope conducted so shortly after our last would provide little additional information because more time is needed to firmly establish user patterns and to make data enhancements. In lieu of a specific requirement, we suggest that this committee and other cognizant committees, as they consider appropriate, request us to look at particular areas of concern to them. We believe this approach ensures our efforts are concentrated on matters of greatest concern. Accordingly, we recommend that section 6209 be deleted from the bill.

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Mr. HORTON. Mr. Chairman, I also have some questions I will submit, and thank you.

Mr. BROOKS. Without objection.

[Mr. Socolar's submissions to questions of Mr. Horton follow:]

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QUESTIONS OF MR. HORTON
FOR MR. SOCOLAR

Question 1. Although I am a supporter of the Consolidated Federal Funds Report and want to see it continued, I am concerned about the various costs associated with its production. What have you found the costs to be? How were they absorbed by the agencies and by the users of the report?

Answer: The approximate cost of the 1983 CFFR was $476,000. This includes costs for OMB, Census, the data sources designated by the CFFR act, and the additional agencies providing data for the report. Census incurred the largest portion of the cost, approximately $284,000, or about 60 percent of the total. OMB incurred approximately $86,000, or 18 percent of the total costs. The remaining costs of $106,000, or 22 percent, were attributed to the designated data sources and additional agencies. (Table 1 contains detailed cost information by agency and by function such as personnel, computers, printing, etc.)

For the designated data sources and additional agencies we identified only incremental costs because their basic systems and operational costs support specific agency missions rather than the CFFR. In many cases, the additional agencies estimated costs because their financial systems could not specifically track CFFR costs.

We do not have cost information on the 1984 CFFR because our review covered only the 1983 report. However, we did contact OMB and Census officials to inquire whether this information was collected for the 1984 report; we were told that it was not.

Some of the costs of the CFFR report are recovered by sale of the printed document and of the computer tape. Census has set the price of the computer tape at $125, and GPO has set the price of the documents at $3 for the state-level report, $4.50 for the county-level report, and $18 for the subcounty-level report.

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Question 2. The 1982 Act required a review and analysis of the report by the General Accounting Office. How detailed was that review, when was it conducted, and what was its cost?

A. What has been OMB's response to our findings?

B. What recommendations for corrective action did you make but were not followed by OMB? If there were any such rejected recommendations, what were they and would they still be appropriate for action?

Answer: Our review of the 1983 CFFR provided information on the accuracy, users and uses, and costs of the report. In our review of the report's accuracy, we determined the extent to which the CFFR reported all appropriate federal funds and the extent to which the report shows the distribution of these funds to the state, county, subcounty, and congressional district levels. We identified data limitations resulting from reporting differences among the designated data sources and operational problems in converting and merging incoming data into the CFFR. To the extent possible, we quantified the impact of these limitations on the CFFR. We reviewed and analyzed systems documentation for all the designated data sources and determined the approach and procedures used by OMB and Census to collect the CFFR data and to design the report formats. We also monitored and evaluated efforts to compile, produce, and distribute the report. Further, we collected cost data for producing the report from OMB, Census, the designated data sources, and the additional agencies providing data for the CFFR. (See question 4 for a more detailed discussion of costs.)

Our analysis of the report's users and uses was somewhat limited because the CFFR was a new report and sufficient time had not elapsed to establish a user pattern. However, we did consult the organizations specified in the 1982 act, as well as other interested groups. These included the Congress, congressionally related groups, state and local government officials and interest groups, and others including federal agencies and educators. To determine congressional use, we mailed a

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questionnaire to a randomly selected sample of 302 Senate and House member offices, committees, and subcommittees. We weighted and aggregated the responses so they would be representative of the results that would be obtained if all congressional offices had been surveyed.

To determine state and local governments' uses for the CFFR, we visited California, New York, and Texas and selected municipalities within these states. We interviewed state government officials from both the executive and legislative branches, as well as local planning and budget officials. We also conducted phone interviews with officials from 17 other states and Puerto Rico. In addition, we interviewed officials from all major state and local interest groups to obtain information on their uses along with their members' needs and uses of these data. Our review was conducted from April 1983 to October 1984 and cost approximately $900,000.

OMB's response to our review's findings and recommendations has been positive. In commenting on the review, OMB stated our findings were accurate and endorsed all the report's recommendations. We recommended that the Director of OMB

--maintain and publish information in future CFFR volumes on organizations through which users can access the computer tape and obtain software,

--continue efforts to explore the feasibility of various alternatives to increase the visibility of pass-through funds data at the county level and include these data in future reports if such alternatives are cost-effective, and

--continue to work with user groups to identify their data needs and to obtain their input on desired improvements.

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OMB has taken action to implement all three recommendations. A list of organizations through which users can obtain the CFFR tape was listed in the 1984 report, and, as previously mentioned, OMB and Census have taken steps and plan further actions to provide more pass-through program data at the county level. In addition, OMB officials have told us they are working with various users to determine ways to improve the report's usefulness.

Question 3. What administrative or paperwork burdens did OMB or Census encounter as a result of this report?

Answer: Since we did not address this question in our review, we are not aware of what administrative or paperwork burdens OMB and Census encountered. However, we believe that the CFFR's use of sources and systems which exist for purposes other than the CFFR lessens these burdens. If a separate system had been developed to meet the need for geographic funding data, there would have been unnecessary overlap and duplication of effort between that system and the ones which are currently used in compiling the CFFR.

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Mr. BROOKS. Mr. Neal.

Mr. NEAL. I have no questions.

Mr. BROOKS. Thank you, Milt.

Mr. SAXTON. Thank you.

Mr. BROOKS. Our next witness is Michael J. Horowitz, General Counsel at OMB. He spent more than 20 years in private practice in Washington and New York, prior to his present duties. He also spent a couple of years in the 1960's teaching at the University of Mississippi Law School. He graduated from CCNY and Yale Law School.

Mr. Horowitz, we will accept your statement for the record.

STATEMENT OF MICHAEL J. HOROWITZ, GENERAL COUNSEL, OFFICE OF MANAGEMENT AND BUDGET

Mr. HOROWITZ. In 1982, "we wuz wrong." We opposed this legislation. Not for the first time this committee worked its will, and this committee was right; we were wrong.

I am delighted to be here requesting a reauthorization in the statute.

Mr. BROOKS. You are most gracious to understand that. But I want to tell a little secret. The committee has been wrong, too. Most everybody in the world has been wrong about something.

Mr. HOROWITZ. I want to add one benefit that derives from the rather special work that the Census Bureau has done in this report. Without stating that this report is precisely correct in indicating which geographic locations get every Federal dollar—there is a lot of work that needs to be done and which may be not doable in the procurement area, but the information is getting increasingly sophisticated and accurate. We are working on it.

But one of the real benefits results from our ability to disaggregate State data at a county and even subcounty unit level. Thus, in an era of block grants where States have substantial discretion in giving Federal funds, we are told that the report has proven very useful to States to know which of their counties and townships are getting what proportions of the Federal grants. It has helped the States enormously in being fair in passing out discretionary assistance to their counties and other subunits of government.

So again, I am here to thank you for beating us on this one, because it served not only the Federal Government and Members of Congress but, I think, State governments as well, and we hope to improve the product over the 3 years of this authorization.

[Mr. Horowitz' prepared statement follows:]

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

FOR RELEASE ON DELIVERY
Expected at 10 a.m.
Thursday, September 19, 1985

STATEMENT OF MICHAEL HOROWITZ
GENERAL COUNSEL, OFFICE OF MANAGEMENT AND BUDGET
BEFORE THE HOUSE SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY OF THE COMMITTEE ON GOVERNMENTAL OPERATIONS
ON H.R. 3168 (CFFR)

I. Introduction

Mr. Chairman, I am pleased to be here this morning to discuss the Consolidated Federal Funds Report (CFFR) legislation, H. R. 3168 which would continue collection and publication of data about Federal expenditures on a geographic basis.

II. Description of CFFR

The Consolidated Federal Funds Reports (CFFR), which this legislation would continue, has been a useful series. State and local governments have found the distribution of Federal expenditures at the county, town, and township levels to be particularly valuable.

As you remember, Mr. Chairman, when the original legislation establishing this report was proposed back in 1982, OMB opposed the legislation. The history of inaccuracies in data and misleading presentations in past attempts at showing the intricate and complex nature of Federal aid, salaries, payments, contracts, obligations, loans and insurance in one document led OMB to conclude that attempting

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to present this data in a meaningful manner in a single report would be too cumbersome and expensive.

I am happy to state that by close cooperation with the executive branch agencies which provide the data and OMB's current executive agent in this project, the Bureau of the Census, we have been able to produce a report that reduces and minimizes many of our previous concerns. While we have made significant strides in improving the accuracy of the geographic distribution of Federal funds, there will continue to remain many unanswerable questions about the location of their economic impacts. This is particularly true of procurement data.

Using as a basis the Federal Assistance Awards Data System (FAADS), Census has compiled current and relevant data from a variety of different sources drawing together the diverse information systems and in the process allowing the elimination of some now redundant reports. We have now begun the consolidation of several different Federal information systems such as the Federal Aid to States survey recently transferred from Treasury to the Bureau of the Census.

III. Some Current Users

While the committee is, I am sure, aware of the utility of this information, you may not have been aware of a similar role existing at the state level. Our county-by-county report has proven extremely useful to state and local officials. Through the existence of these data our ability to provide technical assistance and information to our

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colleagues at the state and local levels has improved, strengthening our partnership with state and local officials.

IV. Unexpected Benefits Under Current Law

Current law called for the CFFR in fiscal years 1983, 1984 and 1985. This period has served both as a test of the concept and a time for experimentation and refinement. Through the assistance of GAO and the cooperation of numerous legislative and executive agencies during this period, our executive agent has been able to proceed well beyond those goals originally planned and the reports show many extra items including:

- data regarding the Postal Service, which despite being an off-budget agency, comprises almost one quarter of the civilian Federal workforce and substantial procurement activity;
- Federal funds which are granted to states and then passed through to local governments are shown at the county level for AFDC, Medicaid, the Highway Trust and eight other major passthrough programs; and
- Food Stamp expenditures are now shown at the county of the recipient.

Overall we are now tracking most of the expenditures of the Federal Government. The Federal Expenditures by States for 1984 shows $725 billion dollars or 85% of the budget. Of the remainder, $111 billion (12%) is interest on the Federal debt and the remaining three percent is expenditures in international affairs outside the country or minor miscellaneous

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items such as travel expenses of Federal employees which conceptually are difficult to assign to any one geographic location.

V. **Suggestions for the Legislation**

The various executive departments and agencies have been very cooperative in developing the sources of data. The Department of Housing and Urban Development, for example, has made major adjustments in its accounting systems to be able to supply us with county-by-county data on public housing assistance. The Departments of Defense, Treasury, Health and Human Services, and the Office of Personnel Management as well as numerous other agencies have made similar changes.

As we noted earlier, the Postal Service as well as other agencies are providing us with data despite not being mentioned in the legislation. We believe that specifically listing all of our cooperating agencies and the files they are providing would be beneficial.

As a technical comment, we should like to note that the provision of this bill which would repeal the existing law, raises questions about the legislative mandate for preparation and publication of the CFFR for fiscal year 1985. While this report is presently required to be presented to Congress by March 29, 1986, section 6209 of H.R. 3168 would indicate that this report is no longer required. We therefore suggest that repeal of the current law be made effective after the 1985 report is due.

With that modification, we support the enactment of H.R. 3168.

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Mr. BROOKS. And the product can be improved. You are working on that. I think it is obvious that the sublevel data is more difficult to handle.

But I noticed in your statement, and we ought to say again for the record, that you are handling roughly 85 percent of the Federal expenditures. That is pretty good, and I think that gives a pretty good example of what we are doing with Federal money.

You had two suggestions for amendments or improvements in the legislation, as it is drafted. One was to list the cooperating agencies, so people know who you're talking with. There is nothing wrong with that. I think that is good. We have done that in drafting amendments to the bill. And you wanted to delay repealing the current law and make that effective after you have done the current job. Otherwise, you would be doing that report without authority. There is no use to be technically without authority. It looks foolish for lawyers to do that, and I think you are correct, so we have drawn the amending legislation to make that correction.

And we appreciate your consideration.

[Mr. Horowitz' submissions to questions of Mr. Brooks follow:]

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QUESTIONS OF MR. BROOKS
FOR MR. HOROWITZ

Q. H.R. 3168 lists some new data files for inclusion in the CFFR, what effect will adding this information have upon the report?

A. Many of those agencies have already begun providing the data to us over the past three years but without statutory authority for inclusion in the report. Having statutory authority would ensure that we can continue this cooperative arrangement.

Q. What steps does OMB take to assure that data is not disaggregated to the point that personal privacy and security are endangered?

A. The available data are only those items which are already matters of public record and available to the general public through the files of the individual agencies supplying this data to Census. Our policy is to rely on the individual Federal agencies as being most familiar with privacy and security concerns for their own data. We, therefore, use the data as they have prepared it, directly from the computer records they release to Census.

Q. After passage of the CFFR bill in 1982, OMB convened several meetings with legislative and executive branch data suppliers and users, which proved quite beneficial to the development and upgrading of the CFFR. What plans does OMB have to renew these working sessions with these groups to encourage their active participation in the continuing development of the CFFR?

A. Several studies among the user groups over the past year have encouraged OMB to begin formation of a task force of all interested parties including major executive agencies, congressional organizations and interested parties among the state governments. This task force will be considering improvements and further developments to the CFFR and its feeder systems. It is our intention to make continual evaluation and upgrading of CFFR a permanent part of the program.

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Mr. BROOKS. Mr. Horton.

Mr. HORTON. Thank you, Mr. Chairman.

Mr. Horowitz, thank you for your very candid statement. I have some questions I will submit. Thank you, and we appreciate your appearance here today.

Mr. HOROWITZ. Thank you, Mr. Horton.

[Mr. Horowitz' submissions to questions of Mr. Horton follow:]

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QUESTIONS OF MR. HORTON
FOR MR. HOROWITZ

Q. What has been OMB's experience with the costs of these reports? How have those costs been absorbed by the agencies and by the users of the reports?

A. On an annual basis, supplying the data is estimated to cost the agencies $73,000. The processing of data, editing the materials and preparing computer records and publications costs approximately $665,000. Executive branch agencies reimbursed Census for $385,000 or almost 60 percent of these costs.

The main users of this material: Member of Congress, the designated representatives of the States' governors, and those using depository libraries all received the publications and computer tapes free of charge. In addition numerous requests for special computer tape processing by Legislative Branch organizations were performed free of charge. Only a very small amount is actually recouped by the sale of the publications and computer tapes to other parties.

Q. What, if any, disruptions did the agencies experience as a result of the requirements of the report?

A. Much of the data supplied by the agencies is collected through other mandated programs such as the Federal Procurement Data System and the Federal Assistance Awards Data System, making it fairly easy to respond to our requests for the data. Other sources have required specifically developed data processing programs to provide data meeting the uniform definitions and timeframe required by the report, but none of them indicate significant disruptions.

Q. What kind of paperwork or administrative burdens did OMB or Census encounter as a result of the report?

A. The previous legislation was not specific in noting which files should be included in the report or how the report was to be funded. This required a major effort on the part of OMB and Census to convince agencies not specifically enumerated that they should provide the data and that they should assist with the funding.

Q. How confident are you that the data are accurate, reliable, and complete?

A. Considering the amount of money and the number of transactions these data are extremely accurate and complete. While they are highly reliable for the purposes of the report (which is the geographic location of Federal expenditures), there will continue to remain some unanswered questions as to the true location of the economic impacts of Federal expenditures. This is particularly true of procurement data.

Q. In what ways can the report be made more accurate and complete?

A. A major effort we are making at this time is toward better identification of passthrough monies below the State level. We believe that this will significantly improve the utility of the report.

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Mr. BROOKS. Thank you.

Mr. HOROWITZ. Thank you, Mr. Brooks.

Mr. BROOKS. Our last witness is Boyd Alexander, Director of House Information Systems, called HIS. Prior to joining the staff, he spent 7 years in information ADP policy at OMB. From 1964 to 1969, he was associated with the Department of Agriculture in various capacities. We are glad to see you again, Boyd, and we appreciate your presenting your statement here. We will accept it all for the record and ask for your comments.

STATEMENT OF BOYD ALEXANDER, DIRECTOR, HOUSE INFORMATION SYSTEMS, COMMITTEE ON HOUSE ADMINISTRATION, HOUSE OF REPRESENTATIVES, ACCOMPANIED BY JACK BELCHER, MANAGER, INTEGRATED SERVICES GROUP

Mr. ALEXANDER. I am here representing Mr. Annunzio.

Mr. BROOKS. For whom we have the highest regard.

Mr. ALEXANDER. I will pass that to him, sir.

He supports this bill very strongly. We in HIS who have to deal with the information provided to the Members—and by the way, it is a very popular piece of information, from the Members of this House. We have over 2,000 users of this on a monthly basis, over 500 organizations in the House.

It is awfully hard to add anything to what has already been said, and I would just simply say that we in HIS, working for the committee, will be more than willing to cooperate with OMB in order to improve this system. I think there are places where it can be improved. I think people would like to see more programmatic data than currently exists in some of the summary reports.

We have every indication that OMB would like to work with us on that. And essentially, Mr. Chairman, the rest has been said. That is all I would like to say now, and I would be glad to answer any questions that you may have.

[Mr. Alexander's prepared statement follows:]

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Testimony

by

Boyd Alexander, Director

House Information Systems

Good morning, Mr. Chairman, my name is Boyd Alexander and I am the Director of the House Information Systems, the Committee on House Administration.

Mr. Annunzio regrets that he is unable to attend this hearing on H.R. 3168. I know Mr. Annunzio feels that there is a pressing need that we reauthorize a system to report on the geographic distribution of Federal funds. Mr. Annunzio has asked that I appear in his stead in order to deliver testimony on this bill.

When Public Law 97-326 was passed, there were many changes being made in the way Federal funds were being distributed to the States and localities around the country. It was then, as it is now, extremely important for the Congress to be aware of what the ramifications of policy changes are, so that they can better evaluate the effectiveness of Federal programs. The Act provides for a report presenting the total amount of Federal funds that were obligated for expenditure in or expended in each State, county or parish, congressional district, and municipality. This is the only source for such information and is invaluable not only to the Congress, State, county and local governments, but also the public at large.

The Chairman supports the provisions of H.R. 3168. There is a particular interest in further improving the quality of data provided by the detailed feeder systems. Some of these systems are integral components of House Information System's Member Information Network (MIN), an online computer service which provides legislative, demographic, economic and

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Federal funding information to Members and staff. With approximately 2,000 users a month in over 530 offices (this includes Member offices, committees and support organizations), it is essential that the information be as accurate and complete as possible.

At this point, let me note some of the particular strengths of this legislation that are critical. First, it establishes the importance of a consistent and comprehensive approach to the reporting on the distribution of Federal funds to all geographic areas receiving Federal funds. Second, it attempts to address the basic reporting inconsistencies existing throughout the Federal Government and provides a vehicle for implementing data uniformity across the agencies. Third, to insure accuracy and completeness, it continues to require a program by program tracking by agencies of Federal expenditures.

It is desirable that within the framework established by this legislation, that the OMB will continue to perfect this reporting system, especially when addressing the needs of those who rely on these data. Our past experiences with the collection and reporting of the Geographic Distribution of Federal Funds (GDFF) data for fiscal years 1981 and 1982, our review of the CFFR, and comments from the Congress leads us to the following statements as to what we feel that the OMB must do to insure that we have a quality reporting system:

- We urge that the Federal Expenditures by State Report (which replaced the Federal Aid to States Report) be continued. It provides an excellent source for State level reporting of the distribution of Federal funds.
- We ask that periodic reviews of the quality and comprehensiveness of the data be made. These reviews should include input from Congressional, State, county and local governments.

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- We should address the problem of pass through funding, the separation of State government funds from State capitol funds, and the need to incorporate Treasury budget account numbers into the system.

- To allow for year to year analyses, we should have a comprehensive and consistent reporting on all Federal programs to all geographic levels receiving Federal funds.

- As required by the legislation, Federal funds should be reported by congressional district.

- Geographic coding and data editing techniques employed by the reporting agencies supporting the major feeder systems should be standardized. The National Bureau of Standards' Federal Information Processing Standards (FIPS) publication-55 should be adopted as a reporting standard by all agencies.

In conclusion, we thank the Chairman and the Committee on Government Operations for introducing a bill that will reauthorize an effort that is of great importance not only to the Congress, but also State, county, local governments and the public at large.

Again, we would like to offer the services of House Information Systems staff to work with those in OMB tasked with the evaluation of the CFFR. We should continue to evolve this effort into a more comprehensive reporting system, and in doing so, consider the needs of those using this information.

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Mr. BROOKS. Thank you very much. I will submit a few questions to you, Mr. Alexander.

And you are accompanied by?

Mr. ALEXANDER. Mr. Jack Belcher, manager of the organization in HIS which provides this information to Members of Congress.

Mr. BROOKS. We are delighted to have both of you, and we will send some questions to you. And we appreciate particularly your offer to cooperate and to help us in the evaluation of the usefulness of this data.

We thank you. We appreciate the good job you all are doing over there in a very technical field. HIS has been a tremendous help to the Congress. It was originated by this committee a long time ago, and has evolved into a very fine organization.

[Mr. Alexander's submissions to questions of Mr. Brooks follow:]

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ANSWERS TO QUESTIONS SUBMITTED TO THE HOUSE INFORMATION SYSTEMS FOR OFFICIAL RESPONSE IN CONNECTION WITH SUBCOMMITTEE HEARING OF SEPTEMBER 19, 1985 --H.R. 3168, CONSOLIDATED FEDERAL FUNDS REPORT AMENDMENTS OF 1985

QUESTIONS AND ANSWERS -- CHAIRMAN BROOKS

1. Mr. Brooks: What benefits do you see flowing from the continuation of the C.F.F.R.?

Mr. Alexander: Mr. Chairman there are many benefits that such legislation brings to the American people. Many of these benefits, however, are not immediately self evident when we look at the printed report. To your credit Mr. Chairman you have established a process for the consistent and uniform reporting of the distribution of Federal funds. The fact that the majority of federal agencies are systematically reporting over half a million transactions in a uniform and consistent manner is alone a significant accomplishment. What you have done is to provide the apparatus for the creation of a powerful database of information on the distribution of Federal funds.

The uses of this information are as varied as the type of data existing in the database. GAO in the study, authorized by p.l. 97-326, noted how state and local governments use this data for planning and budgeting puroses, to determine who has recieved federal funds and how these funds are being used. We at H.I.S. see the real importance of the CFFR laying with the feeder information systems rather than the actual report itself. No where else can the Congress find a program by program reporting of the distribution of federal funds. Our conversations with Members and staff indicate that they frequently need such data to answer constituent questions, determine their district's needs and evaluate program effectiveness.

So in conclusion the CFFR does, indeed, meet a variety of needs. The question might be phrased... would anyone miss the CFFR if it were not to be reauthorized...I think the answer to that would be that without it there would be no other source of detailed information as to how we allocate federal funds.

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2. Mr. Brooks: How do feel that OMB could further improve its approach to upgrading and developing the C.F.F.R.?

Mr. Alexander: OMB faces a shortage of resources and funds today, as we all do. We have all had to make do with less staff and less resources. The result in OMB, as I am sure they will agree, has been to direct their efforts to higher priority items. While OMB has attempted to develop a working agenda through which the CFFR can evlove, the fact is that they have not been able to devote the staff time or resources necessary to accomplish many of their goals. As I am sure you will agree, nothing will grow unless time is spent cultivating and caring. The same is true of the CFFR. We have an opportunity to develop a truely workable solution to those desiring the improved reporting of the distribution of federal funds. It is important that we now return to the original agenda.

3. Mr. Brooks: H.I.S. has automated most of the feeder systems used in the C.F.F.R. as well as many other databases. How would your knowledge and experience in this area be of assistance to OMB in upgrading and improving the C.F.F.R.?

Mr. Alexander: Mr Chairman, we have always been prepared to work with the OMB in this area. There are , of course, limitations to what services we can provide to any organization outside of the House of Representatives. However, we frequently conduct internal reviews as to the quality and comprehensiveness of the data provided by OMB. I feel these reviews could be of value to OMB. We would be willing to share any of this information with the OMB. In fact, if you, Mr. Chairman, would like we could at your request produce periodic reports for both you and the OMB by bringing to bear the power of computer resources.

Mr. BROOKS. Mr. Horton.

Mr. HORTON. Thank you, Mr. Chairman.

I want to join with you in thanking the witnesses, and also to join with you in saying how high our admiration is for your chairman, Mr. Annunzio. He is a close personal friend. I have the highest regard for him. He is a very capable person and does an excellent job as chairman, and this is a very valuable service that is provided to the Members.

We do appreciate your testimony. I have a couple of questions that I will submit.

Thank you very much.

Mr. ALEXANDER. We will be pleased to provide that.

[Mr. Alexander's submissions to questions of Mr. Horton follow:]

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QUESTIONS AND ANSWERS -- MR HORTON

1. Mr. Horton. You have worked with both the old geographic distribution of federal funds report and with the new consolidated report. How, if at all, is the new report an improvement over the old?

Mr. Alexander: It is difficult to compare the two reports. While each was intended to report upon the distribution of federal funds, they do so in significantly different ways. First, with regard to the products produced, the Geographic Distribution of Federal Funds(GDFF) represented a very large database that reported on a program by program basis. The major product of this effort was a multi-volume printed report. While an extremely valuable reference source, it represented a very expensive effort. The Consolidated Federal Funds Report (CFFR), on the other hand, attempts to summarize the vast amount of data into a report that details the distribution of funds according to seven distinct categories of assistance. The result is a compact two volume set of reports. Those interested in identifying the particular program distributions are encouraged to turn to the feeder databases for information rather than to printed reports.

Another significant difference is that of the data used to constitute each report. The GDFF data came from a variety of agency data files that were expediture as well as obligation data. The CFFR, on the other hand, is constituted primarily from obligations. There is therefore a more consistent basis for comparison of the distribution of funds than that from the GDFF report.

2. Mr. Horton: How would the performance of your office be affected if this report were not to be continued?

Mr. Alexander: The CFFR serves as our only summary source of information on this topic. Should we not have this report, we would be forced to respond to the many questions we receive from Member and Committee offices that we really don't know how these funds have been distributed. Each office would be faced with the dilemna of individually contacting the various federal agencies and requesting reports. To assist these offices we would probably be faced with the unenviable solution of collecting the data ourselves so that it may be distributed to the House. A solution, I might add, that would cost H.I.S. a great deal of staff time and resources. Frankly, the OMB is truely best suited to collect such information. It is they who have been charged with the responsiblity to standardize the collection of computerized information from the federal agencies.

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3. Mr. Horton: You mention on page 3 of your statement that you favor 'periodic reviews of the quality and comprehensiveness of the data. Who should make those reviews? How often do you feel those reviews should be made?

Mr. Alexander: There is indeed a need to continue to improve the quality of the CFFR. We feel that periodically the CFFR should undergo a reassessment and re-evaluation to insure the report is meeting the level of quality and comprehensiveness that we all desire.
How then do we do this? Well, I believe that the OMB had established a working framework that would allow a continuing review of the CFFR. In this plan those who use this information, the Congress, state and local interests, the participating agencies, and interested public groups, could fully participate in reviewing the CFFR. The OMB must continue with this plan. We must again have frequent meetings where improvements can be suggested and problem areas identified.

In conlusion, rather than have one review at the end of this effort, I believe our goal should be to establish an environment where we can all work to improve the quality of this reporting system.

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Mr. BROOKS. Mr. Neal.

Mr. NEAL. I want to also thank these folks for what they do. We have had occasion to use the House Information Systems on numerous occasions. I could not be more impressed with the kind of knowledge that they have and the service that they give, and I just want to take this opportunity to thank them.

Mr. ALEXANDER. Thank you, Mr. Neal. We will continue to do that, I hope.

Mr. BROOKS. We are delighted to have you all here, and thank you very much.

Today, we have received testimony concerning the need for a comprehensive source of geographic information as to where the Federal Government is spending its money. The consensus is clearly that the Consolidated Federal Funds Report is the best source of this information, and should be continued.

If ever there was a time when more and better information about Federal spending was needed, it is now. With an annual deficit in the hundreds of billions of dollars and the total national debt fast approaching $2 trillion, we must have accurate and reliable information on where our money is being spent. While data on geographic spending is only one type of information helpful to making budgetary plans and decisions, it is indeed valuable and should be available. The bill we have considered today will see that this is the case.

The hearing is adjourned.

[Whereupon, at 11:10 a.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

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